



USDA Foreign Agricultural Service

# GAIN Report

Global Agriculture Information Network

Template Version 2.09

Required Report - public distribution

**Date:** 3/1/2007

**GAIN Report Number:** CH7016

## China, Peoples Republic of

### Poultry and Products

### Semi-Annual Report

### 2007

**Approved by:**

Maurice House  
U.S. Embassy

**Prepared by:**

Casey Bean, Jianping Zhang

---

**Report Highlights:**

U.S. broiler meat exports (predominantly frozen broiler cuts, offal, broiler feet or paws, and processed meat) to Mainland China, including transshipments via Hong Kong, reached \$337 million in CY 2006, and broiler feet and paws accounted for 49 percent of China's total imports. The United States became the largest supplier to China again in 2006. Demand for U.S. broiler meat and product will continue to grow in 2007 and beyond. China's broiler imports in 2007 are forecast to increase by 25 percent to 430,000 MT, and China's broiler exports in 2007 are forecast to increase by 2 percent to 330,000 MT.

---

Includes PSD Changes: Yes  
Includes Trade Matrix: Yes  
Semi-Annual Report  
Beijing [CH1]  
[CH]

## Table of Contents

<b>Executive Summary .....</b>	<b>3</b>
<b>Broiler .....</b>	<b>3</b>
China's broiler meat production in 2007 forecast to increase by 2 percent to 10.5 MMT, and strong consumer demand will drive imports.....	3
Broiler consumption in 2007 forecast to increase by 2 percent to 10.6 MMT.....	4
Imported broiler products are distributed mostly via wholesale markets.....	5
China broiler imports in 2007 forecast to increase by 25 percent to 430,000 MT .....	5
USDA and U.S. industry timely communication with AQSIQ smooth trade.....	6
AQSIQ requires electronic certification starting March 3, 2007 .....	6
China states exporting cooked poultry to the U.S., based on imported raw materials from the U.S. and Canada, is uneconomical.....	6
Broiler exports in 2007 forecast to increase by 2 percent to 330,000 MT from previous year's 3 percent decrease .....	7
<b>Poultry Eggs .....</b>	<b>7</b>
<b>PS&amp;D table for broiler meat and broiler trade matrix .....</b>	<b>8</b>

## Executive Summary

U.S. broiler shipments to China and transshipments via Hong Kong (i.e. frozen broiler cuts, offal, broiler feet or paw, processed broiler) reached \$337 million in CY 2006, and broiler feet and paws accounted for 49 percent. The United States became the largest supplier to China again in 2006. Demand for U.S. broiler meat and products remains strong. This trend is expected to continue in 2007 and beyond, as China's poultry output will grow slowly due to the continuing impact of highly pathogenic avian influenza (HPAI).

During December 2006, FAS Beijing hosted the 2<sup>nd</sup> Sino-U.S. Food Safety Bilateral workshop in Beijing with the objective to smooth U.S.-China trade in meat and poultry products. At the meeting, agreement was reached in several areas aimed to minimize disruption of U.S. exports to China. China agreed to accept industry e-mailed information (i.e., dates of export certificates and the numbers) for meat and poultry shipments, in lieu of their original request that the U.S.-side implement complete electronic export certification. China also agreed to cooperate in developing microbiological risk assessment and testing methodologies for food borne-pathogens. China did not agree to immediately resume imports of poultry from four U.S. states, i.e., New York, Rhode Island, Connecticut and Pennsylvania, due to outbreaks of low pathogenic avian influenza (LPAI)—H5N2—in the four states; however, USDA and the U.S. poultry industry are working to resolve the issue. Finally, as the result of USDA-AQSIQ food safety collaboration, China has not "delisted" any poultry plants since early 2006.

During 2007, FAS Beijing forecasts China's broiler meat production to increase by 2 percent to 10.5 MMT. China's slow growth in poultry production will lead to strong import demand in 2007, and broiler imports in 2007 are forecast at 430,000 MT, a 25 percent increase from last year. However, broiler product imports will not fully recover to the level before the HPAI outbreaks in 2003. China's broiler exports in 2007 are forecast to increase by 2 percent to 330,000 MT from a previous year's 3 percent decrease.

## Broiler

### **China's broiler meat production in 2007 forecast to increase by 2 percent to 10.5 MMT, and strong consumer demand will drive imports**

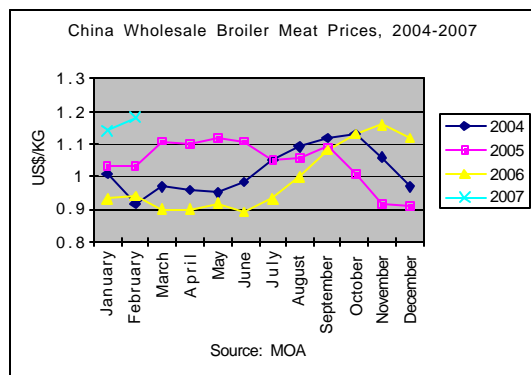
Post forecasts China's broiler production in 2007 will increase by 2 percent over last year to 10.5 MMT. Production of broiler meat is still recovering from the negative impact of HPAI outbreaks the last couple of years in China.

China's relatively slow domestic broiler production growth, coupled with recovering consumption, will drive imports in 2007, thus providing a good opportunity for the United States to expand broiler exports. For example, U.S. direct shipments to the Mainland (broiler meat and paws) in 2006 were almost doubled to 390,748 MT valued at \$298 million.

China's broiler meat and feed conversion ratios have improved from 1:2.5 (i.e., use 2.5 kg of feed to produce 1 kg of broiler meat) in the 8<sup>th</sup> Five-Year-Plan (1990-1995) to 1:2.0-2.2 currently due to improved feed. However, China's broiler production is heavily dependent on domestic corn production, imported soybeans, soy meal products, and imported fishmeal. Availability of domestic feed grains constrains production as domestic corn is also used for alcohol and ethanol fuel. Fluctuating world prices for soybean and soy meal products all translate to constraints on China's broiler production for the foreseeable future and continued growth in imports. As evidence, the U.S. Poultry and Egg Export Council (USAPPEC) estimates U.S. exports to China could rival Russia by 2009.

FAS Beijing adjusted the forecast for slaughter numbers for 2007 and 2006 slightly up to 7.8 billion and 7.6 billion respectively to reflect China's average broiler carcass weight (1.35 kg).

Chinese farmers are still concerned about expanding broiler production because of continued HPAI outbreaks in the neighboring countries, such as Russia, Japan, South Korea, Thailand and Vietnam, infecting their own flocks. China imports all grandparent-breeding western bred stocks from abroad. The Chinese industry says 2006 imports were only slightly higher than 2005 to 542,000 sets, much lower than that in 2002 (598,000 sets) and 2003 (571,000 sets) before the HPAI outbreaks. As a result of this slow growth in breeding stock supplies, China's stock increase in 2007 will continue to be sluggish.



The two rounds of HPAI outbreaks pushed broiler prices down by 12 and 15 percent respectively from beginning to mid 2004 and from September 2005 to June 2006. However, HPAI outbreaks in 2006 (e.g., 10 outbreaks in 7 provinces with 90,000 birds infected, 47,000 birds dead and 2.9 million birds culled) reduced considerably compared with 2005 due to China's disease control. According to MOA, China vaccinates 95 percent of poultry for HPAI, except for commercial farms that supply processed materials for broiler exports to countries that request "no vaccination" like Japan. As HPAI outbreaks decline, poultry consumption

started picking up in the latter half of 2006. The price chart on the left demonstrates Chinese recovering poultry consumption that has pushed prices up since July 2006.

While helping broiler farmers and processing companies by tax exemptions during 2006, the Chinese Government has strengthened disease monitoring at live poultry wet markets. Sellers must now show a certificate to prove their live poultry come from HPAI-free areas. The State Council's No. 89 document, issued in December 2006, not only requires strengthening disease control at live poultry markets, but also requires replacing live poultry slaughtered at wet markets gradually with poultry slaughtered at designated slaughterhouses. The Beijing Government took the lead and has closed down all live poultry markets recently. These steps indicate that Chinese consumers must eventually change traditional preferences for on-the-spot-slaughter at wet markets. Limited cold storage facilities at wet markets will lead to more sales of frozen products, including imported broiler products.

In January 2007, MOA, Ministry of Health (MOH), Ministry of Finance (MOF), General Administration of Quality Supervision, Inspection and Quarantine (AQSIQ) and the State Forestry Administration jointly announced the National Plan to Build an Animal Disease Prevention System, 2004-2008. The project will total \$1.1 billion (8.8 billion RMB) from the Central and local governments. The Government forecasts this project will prevent \$2.2 billion (17 billion RMB) in economic losses by controlling major animal diseases including HPAI and FMD. This project is also aimed to strengthen consumer confidence.

### Broiler consumption in 2007 forecast to increase by 2 percent to 10.6 MMT

Post forecasts China's broiler consumption in 2007 to increase by 2 percent to 10.6 MMT from the estimated 10.4 MMT in 2006. As HPAI outbreaks decline and consumers have better knowledge how to prevent it, consumers are becoming desensitized HPAI news. Although domestic production growth has been slow, large imports have offset the difference. Consumers also believe that imported products are safer following the strict inspection and quarantine upon entry into China. Consumers also select more imported broiler products, as

well as more red meat, during HPAI outbreaks. As a result of increased imports and decreased exports, combined with consumption recovering, broiler consumption during 2006 and 2007 is not impacted as bad as expected.

The impacts on consumption from China's HPAI outbreaks also depend on products and where consumed. Chicken feet or paws, wings, wing tips and leg cuts were not impacted as much as whole birds and breast meat. Breast meat is mainly consumed at high-end hotels and restaurants or western fast food chain restaurants, while the other products are mainly consumed in homes, low-end restaurants and canteens of schools, organizations and the military, as well as fast food door-to-door deliveries. Cooked local breed broilers under 1 kg sold at supermarkets are also popular.

HPAI outbreaks have impacted spent hen consumption due to the closure of live poultry markets because most spent hens are sold at these places. Southern Chinese like local breed, yellow-feathered broilers, while Northern Chinese like western breed broilers. Consumption of chicken feet and paws seems more resilient to the HPAI-effect due to traditional food habits. China has 1.3 billion people, so if each person consumed one pair of chicken feet or paws, 1.3 billion birds need to be slaughtered. To make one 25-MT container of chicken feet and paws, 400,000 broilers must be slaughtered. These huge numbers explain why chicken feet and paw imports account for about 50 percent of China's total broiler product imports. Please refer CH7006 for more information on chicken paw, wing and wing tips exports to China.

### **Imported broiler products are distributed mostly via wholesale markets**

Supermarkets normally charge a lot for marketing promotions, and small-sized traders are not willing to sell imported broiler product through supermarkets because these small-sized importers must pay to obtain import licenses from MOFCOM's identified importing companies. Poultry imports are subject to both automatic registration form (ARF's) of the Ministry of Commerce (MOFCOM) and Import Meat Quarantine Permits (IMQP's) of AQSIQ, further raising costs for imported broiler products.

Imported boiler products are distributed first via the wholesale terminals like the cold warehouses in Panyu, Guangdong Province, and Shanghai City, then the products go to wholesale markets in provincial capital cities, then the products end-up in secondary wholesale markets in smaller cities. Wholesale prices move in response to international prices.

### **China broiler imports in 2007 forecast to increase by 25 percent to 430,000 MT**

Post forecasts China's broiler imports in 2007 to increase by 25 percent to 430,000 MT from 343,000 MT in 2006. Broiler meat imports (excluding chicken paws) in 2006 recovered 76 percent of the level prior to the HPAI outbreaks in 2003, and imports in 2007 are forecast to continue recovering to 95 percent to 430,000 MT, by comparison with 453,000 MT in 2003. A new trend possibly leading to increased imports is that many Chinese consumers have shifted to imported broiler meat to substitute domestic broilers due to HPAI, as they believe imported products are safer after strict inspection and quarantine when entering China. U.S. export increases have also been favored by the devalued exchange rate against the RMB.

The United States is the large supplier to China. U.S. broiler exports to China could rival Russia by 2009, according to U.S. trade estimates. China became U.S.'s second largest export market in 2006 with 392,836 MT for direct shipments based on U.S. data, and U.S. exports to China in December 2006 already surpassed that to Russia. China's import data and U.S. export data differ due to smuggling in South China and also probably because of a

lag in China's import reports compared with U.S. export reports. Although U.S. transshipments of broiler products (meat and chicken feet or paws) to the Mainland through Hong Kong reduced by 8 percent due to higher prices and strong competition from South America, increased imports of U.S. broiler products by Mainland China setoff reduced Hong Kong transshipments in 2006.

During January 2007, China suspended broiler imports from France due to a recent HPAI outbreak in that country. France is China's 4<sup>th</sup> largest supplier. The United States still faces strong competition from Brazil, though only one company was eligible to export to China in 2006. Recovering Brazilian domestic demand and a stronger Real against the U.S. Dollar will also constrain Brazilian exports. Nonetheless, Brazil is aggressively trying to get China's approval for more Brazilian poultry plants.

### **USDA and U.S. industry timely communication with AQSIQ smooth trade**

A critical factor for U.S. exports to China is timely communication between the Foreign Agricultural Service (FAS) in Beijing with the AQSIQ and Entry-Exit Inspection and Quarantine Bureaus (CIQ's) at entry ports. The U.S. industry is encouraged to contact FAS Beijing when there are problems or to obtain more information. FAS Beijing organized two food safety bilateral meetings with AQSIQ, led by USDA Under Secretaries and an AQSIQ Vice Minister. The last food safety bilateral in December 2006 resulted in the signing of a bilateral Memorandum of Cooperation for food safety issues.

FAS Beijing has also organized seminars and meetings for USAPEEC representatives and traders to meet with AQSIQ and CIQ officials to discuss trade technical issues. AQSIQ and USDA officials have also agreed to meet regularly to discuss bilateral trade issues and concerns. AQSIQ relisted all the U.S. poultry plants for eligible exports to China, which were delisted at the beginning of 2006 due to pathogen and residue detections. AQSIQ no longer delists U.S. plant immediately after detections and allows a 45-day corrective period.

### **AQSIQ requires electronic certification starting March 3, 2007**

In an effort to reduce the chronic problem of fake export certificates, AQSIQ requires that beginning March 3, 2007, U.S. meat plants send an email message when FSIS certifies a shipment for China. In this interim pre-notification step (i.e., until USDA's Food Safety Inspection System (FSIS) implements an official electronic certification system) U.S. plants are required to e-mail to AQSIQ ([h\\_cert@ciq.org.cn](mailto:h_cert@ciq.org.cn)) the date and number of the FSIS meat export health certificate. More information may be requested by AQSIQ later. FAS will continue to work closely with FSIS and the industry to encourage the same steps are taken as U.S. market competitors, Australia and New Zealand, have already implemented electronic certification with AQSIQ. It is too early to say if the electronic notification will impact U.S. trade.

### **China states exporting cooked poultry to the U.S., based on imported raw materials from the U.S. and Canada, is uneconomical**

In April 2006, USDA published the final rule to allow Chinese cooked poultry into the United States on the condition that the plants use materials from USDA-approved slaughter plants and processed in AQSIQ approved Chinese plants. USDA requested that AQSIQ provide a list of Chinese exporters with contact information and labeling samples. However, AQSIQ states this trade is not economical and they seek USDA approval to use Chinese domestic raw materials for processing and export to the United States. Rising international broiler prices and international transportation costs, combined with the unfavorable exchange rate, make

re-exports uncompetitive. The issue of cooked poultry exports to the United States remains China's top market access priority for agriculture.

### **Broiler exports in 2007 forecast to increase by 2 percent to 330,000 MT from previous year's 3 percent decrease**

China's exports are forecast to increase only 2 percent to 330,000 MT from last year's 3 percent decrease. The growth in 2007 is not large as Japan, China's largest export market, is expected to reduce imports due to higher stock levels. Japan's "positive list", stricter inspection and quarantine requirements, already doubled some processing materials and reduced China's pace of increase in exports in 2006. However, Japan's recent HPAI outbreaks may help maintain demand for cooked poultry imports from China.

Russia used to be China's largest export market, but during 2003 Russia implemented an import quota policy that reduced trade considerably with China. This will not change in 2007.

China started exporting fresh and chilled poultry to Hong Kong and Macau in 2006, as both markets reduce their own broiler slaughters due to HPAI concerns. This trend will continue in 2007.

### **Poultry Eggs**

China remains the world's largest poultry egg producing country. Post forecasts China's poultry egg production in 2007 to increase by 3 percent to 30.3 MMT. The China National Statistics Bureau (NSB) just announced China's 2006 total poultry egg production—29.5 MMT—over 2 percent increase from last year. Table egg production is not impacted by China's HPAI outbreaks as much as the broiler meat because there are little substitutes for chicken eggs. Duck and goose eggs are mainly preserved or salted

China Poultry Egg Production, 2001-2007 (1,000 MT)							
	2001	2002	2003	2004	2005	2006	% Change 2006/05
Total Poultry Egg	23,367	24,627	26,067	27,237	28,795	29,500	2.4
Source: China Statistics Bureau							

China only imports breeding hatching eggs. China's imports in 2006 increased to 202,320 pieces due to recovering broiler and egg production. Increased hatching egg imports offset reduced live chicken breeding stocks in 2006. China's year-on-year hatching egg imports shot-up from 3,400 pieces in 2005 to 202,320 pieces due to the impact of HPAI, because breeding farmers are more comfortable to import hatching eggs than live breeding stocks due to HPAI concerns. The United States is the second largest hatching egg supplier to China after Hungary.

China mainly exports shelled eggs. Exports in 2007 are forecast to increase 2 percent to 1.2 million pieces from last year's 1 percent decrease. Mainland mainly exports to Hong Kong and Macau, accounting for about 90 percent of China's total egg exports. Constrained availability of eggs for Hong Kong and Macau from HPAI countries in Asia is forecast to lead to China's export increase to the two destinations.



## PS&amp;D table for broiler meat and broiler trade matrix

## PSD Table

**Country** China, Peoples  
**Republic of**  
**Commodity** Poultry, Meat,  
 Broiler

(MIL HEAD)(1000  
 MT)(PERCENT)

	2005 USDA Official	Revised Post Estimate	Post Estimate New	2006 USDA Official	Estimate Post Estimate	Post Estimate New	2007 USDA Official	Forecast Post Estimate	Post Estimate New
Market Year Begin		01/2005	01/2005		01/2006	01/2006		01/2007	01/2007
Inventory (Reference)	0	0	0	0	0	0	0	0	0
Slaughter (Reference)	7550	7550	7550	7620	7620	7640	7700	0	7800
Beginning Stocks	0	0	0	0	0	0	0	0	0
Production	10200	10200	10200	10350	10350	10350	10520	0	10520
Whole, Imports	0	0	0	0	0	0	0	0	0
Parts, Imports	219	220	219	370	275	343	430	0	430
Intra-EU Imports	0	0	0	0	0	0	0	0	0
Other Imports	0	0	0	0	0	0	0	0	0
Total Imports	219	220	219	370	275	343	430	0	430
Total Supply	10419	10420	10419	10720	10625	10693	10950	0	10950
Whole, Exports	0	0	0	0	0	0	0	0	0
Parts, Exports	331	358	331	350	470	322	365	0	330
Intra EU Exports	0	0	0	0	0	0	0	0	0
Other Exports	0	0	0	0	0	0	0	0	0
Total Exports	331	358	331	350	470	322	365	0	330
Human Consumption	10088	10062	10088	10370	10155	10371	10585	0	10620
Other Use, Losses	0	0	0	0	0	0	0	0	0
Total Dom. Consumption	10088	10062	10088	10370	10155	10371	10585	0	10620
Total Use	10419	10420	10419	10720	10625	10693	10950	0	10950
Ending Stocks	0	0	0	0	0	0	0	0	0
Total Distribution	10419	10420	10419	10720	10625	10693	10950	0	10950
CY Imp. from U.S.	147	147	147	272	175	254	301	0	301
CY Exp. to U.S.	0	0	0	0	0	0	0	0	0
Balance	0	0	0	0	0	0	0	0	0
Inventory Balance	0	0	0	0	0	0	0	0	0
Production Change	2	0	2	1	1	1	2	-100	2
Import Change	26	0	26	69	25	57	16	-100	25
Export Change	37	0	37	6	31	-3	4	-100	2
Trade Balance	112	138	112	-20	195	-21	-65	0	-100
Consumption Change	2	0	2	3	1	3	2	-100	2



China Broiler Meat Imports, 2004-2006 (Metric Tons)				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan - Dec
Origin	Quantity	Quantity	Quantity	% Change
	2004	2005	2006	2006/2005
World	180,071	370,873	572,218	54.29
United States	75,645	196,659	390,748	98.69
Brazil	60,810	142,872	142,812	-0.04
Argentina	42,587	24,188	27,702	14.53
Chile	0	2,502	9,044	261.47
France	0	1,659	1,266	-23.69
Philippines	0	59	488	727.12
Canada	775	2,758	150	-94.56
Thailand	173	122	0	-100.00
Other	81	54	8	-85.19
HS Code: 020711, 020712, 020713, 020714 and 160232				
Note: China chicken paw imports under HS Code 02071422 is included in this table, but excluded in the PS&D table.				
Source: WTA/GTA China Customs Statistics				

China Chicken Paw Imports, 2004-2006 (Metric Tons)				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan - Dec
Origin	Quantity	Quantity	Quantity	% Change
	2004	2005	2006	2006/2005
World	n/a	189,178	289,171	52.86
United States	n/a	103,211	156,974	52.09
Brazil	n/a	60,724	98,851	62.79
Argentina	n/a	23,138	26,907	16.29
Chile	n/a	2,034	6,439	216.57
Other	n/a	71	0	-100.00
HS Code: 020714.22				
Source: WTA/GTA China Customs Statistics				

Hong Kong Broiler Re-Exports to China, 2004-2006 (Metric Tons)				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan - Dec
	Quantity	Quantity	Quantity	% Change
Origin	2004	2005	2006	2006/2005
World	104,653	105,503	177,393	68.14
Brazil	32,506	43,202	113,420	162.53
United States	44,638	41,937	38,682	-7.76
Argentina	7,371	5,284	11,454	116.77
Chile	3,304	5,068	7,720	52.33
Iran	2,260	3,710	2,352	-36.60
France	2,067	728	932	28.02
Canada	2,273	404	273	-32.43
United Kingdom	2,435	268	199	-25.75
Other	7,799	4,902	2,361	-51.84
HS Code: 020711, 020712, 020713, 020714 and 160232				
Note: China chicken paw imports under HS Code 02071410 is included in this table, but excluded in the PS&D table.				
Source: WTAWTA from Hong Kong Census and Statistics Department				

Hong Kong Chicken Paw Re-Exports to China, 2004-2006 (2004-2006)				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan - Dec
	Quantity	Quantity	Quantity	% Change
Origin	2004	2005	2006	2006/2005
World	54,515	68,407	117,087	71.16
Brazil	15,518	24,223	74,345	206.92
United States	23,327	27,803	23,658	-14.91
Argentina	6,234	4,987	11,112	122.82
Chile	1,213	3,630	4,731	30.33
Iran	2,233	3,710	1,947	-47.52
Canada	825	176	23	-86.93
Turkey	3,096	3,215	0	-100.00
Other	2,069	663	1,271	91.70
HS Code: 020714.10				
Source: WTA Hong Kong Census and Statistics Department				

China Broiler Meat Exports, 2004-2006 (Metric Tons)				
	Jan-Dec	Jan-Dec	Jan-Dec	Jan - Dec
Destination	Quantity	Quantity	Quantity	% Change
	2004	2005	2006	2006/2005
World	240,960	331,524	321,761	-2.94
Japan	136,516	178,411	196,282	10.02
Hong Kong	61,868	88,569	91,892	3.75
Korea South	1,989	8,673	12,320	42.05
Bahrain	2,825	4,272	4,821	12.85
United States	1,197	4,154	3,027	-27.13
Macau	1,051	1,739	2,001	15.07
Iraq	1,465	2,062	1,593	-22.74
Singapore	1,442	1,483	1,409	-4.99
Somalia	3,680	3,796	1,323	-65.15
Kenya	0	293	1,170	299.32
Maldives	345	651	1,021	56.84
Albania	4,273	5,430	545	-89.96
Georgia	835	1,873	406	-78.32
Armenia	50	1,969	96	-95.12
Moldova	1,029	8,237	0	-100.00
Korea North	3,834	5,003	0	-100.00
Azerbaijan	739	2,847	0	-100.00
Mozambique	204	2,592	0	-100.00
Uzbekistan	200	1,267	0	-100.00
Other	17,763	9,147	3,855	-57.86
HS Code: 020711, 020712, 020713, 020714 and 160232				
Note: No exports of chicken paws				
Source: WTA/GTA China Customs Statistics				

China Import M.F.N Tariff Rate on Frozen Chicken Products, 2001-2007 Based on Weight (Unit: RMB/KG) (\$1=RMB7.76)									
HS Code		2001	2002	2003	2004	2005	2006	2007	% Change 2005/04
2007.1200	Frozen whole broiler	1.6	1.6	1.3	1.3	1.3	1.3	1.3	0.00
0207.1411	Frozen broiler cuts with bones	1.2	1.0	0.8	0.6	0.6	0.6	0.6	0.00
0207.1419	Frozen broiler cuts, boneless	2.7	1.5	1.2	1.0	1.0	1.0	1.0	0.00
0207.1421	Frozen broiler wings	2.3	1.2	1.0	0.9	0.9	0.8	0.8	11.11
0207.1422	Frozen chicken paws	1	0.8	0.6	0.5	0.5	0.5	0.5	0.00
0207.1429	Frozen chicken wingtips, livers					0.5	0.5	0.5	-
* 0207.2900	Frozen wingtips, paws, liver	1	0.8	0.6	0.5	n/a	n/a	n/a	-
0504.0021	Broiler gizzard	1.7	1.7	1.4	1.4	1.4	1.3	1.3	0.00
Source: China Customs									
* Note: Since January 1, 2005, China Customs created a new HS Code (0207.1422) for chicken paws and a new HS Code (0207.1429) for chicken wingtips and livers instead of HS Code 02072900 which contained all the three products in the past.									

CHINA WHOLESALE BROILER MEAT PRICES ON AVERAGE  
2004-2007 (US\$/KG, \$1=RMB7.76)

	2004	2005	2006	2007	% Change 2007/06
January	1.01	1.03	0.93	1.14	22.58
February	0.92	1.03	0.94	1.18	25.53
March	0.97	1.11	0.90		
April	0.96	1.10	0.90		
May	0.95	1.12	0.92		
June	0.98	1.11	0.89		
July	1.05	1.05	0.93		
August	1.09	1.06	1.00		
September	1.12	1.09	1.08		
October	1.13	1.01	1.13		
November	1.06	0.92	1.16		
December	0.97	0.91	1.12		

Source: The Ministry of Agriculture

CHINA WHOLESALE LIVE CHICKEN PRICES ON AVERAGE  
2004-2007 (US\$/KG, \$1=RMB7.76)

	2004	2005	2006	2007	% Change 2007/06
January	1.10	1.13	0.87	1.27	45.98%
February	1.02	1.17	1.11	1.24	11.71%
March	0.98	1.21	1.00		
April	1.07	1.28	1.02		
May	1.13	1.33	0.98		
June	1.18	1.2	0.95		
July	1.21	1.16	0.91		
August	1.24	1.18	1.04		
September	1.22	1.22	1.03		
October	1.21	1.08	1.23		
November	1.17	0.98	1.22		
December	1.22	0.97	1.17		

Source: The Ministry of Agriculture

CHINA'S WHOLESALE CHICKEN EGG PRICES  
ON AVERAGE 2004-2007 (US\$/KG, \$1=rmb 7.76)

	2004	2005	2006	2007	% Change 2007/06
January	0.63	0.69	0.58	0.7	20.69%
February	0.55	0.68	0.57	0.77	35.09%
March	0.60	0.64	0.54		
April	0.58	0.64	0.54		
May	0.59	0.72	0.54		
June	0.66	0.71	0.55		
July	0.67	0.71	0.59		
August	0.74	0.74	0.65		
September	1.92	0.72	0.74		
October	0.71	0.67	0.72		
November	0.68	0.62	0.74		
December	0.68	0.61	0.75		

Source: The Ministry of Agriculture